

## UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION III 2443 WARRENVILLE ROAD STE 210 LISLE, ILLINOIS 60532-4352

AUG 3 1 2006

Rami M. Anabtawi, P.E.
Radiation Safety Officer
Geotechnical & Materials Engineers, Inc.
3913 Merchant Road
P.O. Box 8358
Fort Wayne, IN 46818-8358

Dear Mr. Anabtawi:

Enclosed is Amendment No. 04 to your NRC Material License No. 13-32182-01, in accordance with your request. Please note that the changes made to your license are printed in **bold** font. Also, please note, as per our telephone conversation on August 30, 2006, that while we were able to amend Condition 10 of your license at this time, to authorize use of the new storage location at 3517 Focus Drive, Fort Wayne, Indiana, we could not, however, delete from the license the existing storage location at 3913 Merchant Road in Fort Wayne and authorize its release for unrestricted use. This can not be done until after all licensed material has been removed from that facility and confirmed to us in writing along with copies of current leak test records of the sources transferred which show their non-leaking status and written confirmation that no leaking sealed sources were ever possessed or used (if in fact it be so) at the facility located at 3913 Merchant Road in Fort Wayne.

You should also at that time address any changes in mailing address and/or telephone number, if needed.

Please note that this amendment also incorporates the total possession limits for each radionuclide as was discussed and agreed upon in our telephone conversation on August 30, 2006 in accord with NRC policy in support of security issues, and also includes some minor modifications to License Condition 13.D., involving leak test criteria, in accord with our current standard conditions.

Please review the enclosed document carefully. If there are any errors or questions, please notify the U.S. Nuclear Regulatory Commission, Region III office at (630) 829-9887 so that we can provide appropriate corrections and answers.

Please note that License Condition 18, which addresses security criteria for portable nuclear gauges, has been modified in its entirety to incorporate additional security measures. These security measures are based on revisions to 10 CFR Part 30, by the addition of paragraph 30.34(i), "Security requirements for portable gauges," as published in the Federal Register on January 12, 2005, with an effective date of July 11, 2005. The final rule requires a portable gauge licensee to use a minimum to two independent physical controls that form tangible barriers to secure portable gauges from unauthorized removal whenever the portable gauges are not under the control and constant surveillance of the licensee. You should have previously

received a copy of this regulatory requirement by mail. This mailing included a revised copy of Appendix H, "Operating, Emergency, and Security Procedures," of NUREG 1556 Volume 1, Revision 1, Consolidated Guidance About Materials Licenses; Program-Specific Guidance About Portable Gauge Licenses, dated November 2001, which incorporates these changes.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). The NRC's document system is accessible from the NRC Web site at <a href="http://www.nrc.gov/reading-rm/adams.html">http://www.nrc.gov/reading-rm/adams.html</a> (the Public Electronic Reading Room).

Sincerely,

Loren J. Hueter

Materials Licensing Branch

License No. 13-32182-01 Docket No. 030-35029

Enclosure: Amendment No. 04